



Budget Expenses Allocation

This section describes how to allocate general expenses in ProjectVIEW

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1 Creation of a General Expenses budget

ProjectVIEW allows for the allocation of general expenses in a project using a different kind of budget. This makes the differentiation between direct and indirect cost possible and therefore helps the Cost Control Department to monitor costs more efficiently.

The following section explains how this is accomplished.

Note

For all the steps described to be completed successfully, a valid Cost Tree with entries marked for “*Indirect Cost*” must exist. This is described in the appendix of the manual “*02 01 Cost Budgeting*”.

1.1 Creation of a new budget.

To create a new budget, the user must navigate to:

“Budget Costing” > “Budgets” > “Budgets”

Company	Branch Code	Branch Description	Project Code	Sub Project Code	Sub Project Description	Budget Code	Budget Number	Budget Description	Commitment No
01	ALPHA COMPANY	TD	0001	Demo		01-0	0		
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	S.TERM	Southern Termus	41001-0	
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRT-5TN-A3	BRT-5TN-A3	42005-0	01/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRT-5TN-A3	BRT-5TN-A3	42007-0	01/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRT-5TN-A2	BRT-5TN-A2	42023-0	18/12/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRT-5TN-A2	BRT-5TN-A2	42027-0	18/12/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRT-5TN-A2	BRT-5TN-A2	42029-0	18/12/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	E.TERM	Eastern Termus	42045-0	11/08/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	CEB-3	CEB-3	61307-0	04/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	CEB-3	CEB-3	61112-0	04/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	CEB-3	CEB-3	61431-0	04/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	CEB-3	CEB-3	61700-0	04/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	CEB-3	CEB-3	61700-1	04/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRDGES	BRDGES	681111-07-0	01/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRDGES	BRDGES	681112-10-0	01/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	001	PROJECT -001	BRDGES	BRDGES	681112-15-0	01/10/17
01	ALPHA COMPANY	01	ALPHA COMPANY	002	PROJECT -002	CEB-1	CEB-1	61065-0	06/11/17
01	ALPHA COMPANY	01	ALPHA COMPANY	002	PROJECT -002	CEB-1	CEB-1	61060-0	06/11/17
01	ALPHA COMPANY	01	ALPHA COMPANY	002	PROJECT -002	CEB-1	CEB-1	62132-0	06/11/17
01	ALPHA COMPANY	01	ALPHA COMPANY	002	PROJECT -002	CEB-4	CEB-4	62739-0	06/11/17
01	ALPHA COMPANY	01	ALPHA COMPANY	002	PROJECT -002	CEB-4	CEB-4	64558-0	06/11/17
01	ALPHA COMPANY	01	ALPHA COMPANY	002	PROJECT -002	CEB-4	CEB-4	62200-0	06/11/17
01	ALPHA COMPANY	01	ALPHA COMPANY	007	Star Tower			007-0	01/06/19
01	ALPHA COMPANY	01	ALPHA COMPANY	009	NESMA DEMO			009-0	01/01/19
01	ALPHA COMPANY	01	ALPHA COMPANY	009	NESMA DEMO			009-1	01/01/19
01	ALPHA COMPANY	01	ALPHA COMPANY	009	NESMA DEMO			009-P	01/01/19
01	ALPHA COMPANY	01	ALPHA COMPANY	100	Project 100			100-0	07/12/18
01	ALPHA COMPANY	01	ALPHA COMPANY	100	Project 100			100-1	07/12/18
01	ALPHA COMPANY	01	ALPHA COMPANY	115	Project 115			115-0	01/03/19
01	ALPHA COMPANY	01	ALPHA COMPANY	115	Project 115			115-P	01/03/19
01	ALPHA COMPANY	01	ALPHA COMPANY	127487	Project 127487			127487-0	28/10/19
01	ALPHA COMPANY	01	ALPHA COMPANY	200	Project 200			200-0	08/12/18
01	ALPHA COMPANY	01	ALPHA COMPANY	220	Project 220			220-0	01/04/20
01	ALPHA COMPANY	01	ALPHA COMPANY	225	Project 225			225-0	01/04/20
01	ALPHA COMPANY	01	ALPHA COMPANY	255	Project 255			255-0	01/02/19
01	ALPHA COMPANY	01	ALPHA COMPANY	335	Project 335			335-0	01/04/20

From there, the user can create a new, empty budget. This will display the budget form

The mandatory fields are:

- ✓ Company Code
- ✓ Branch Code
- ✓ Project Code
- ✓ Budget Code (“Project Code” + “-IE”)
- ✓ Budget Number (1)
- ✓ Budget Type (Cost Budget)
- ✓ Budget Date
- ✓ Budget Max Levels (equal to the maximum level in the cost tree in use)
- ✓ Cost Model Code (BASIC)

Having completed the above, the user must save the budget.

Examples:

If the “Project Code” is e.g. Project145, the “Budget Code” must be Project145-IE.

To find the number “Budget Max Levels”, the user can navigate to:

“Budget Costing” > “Costing” > “Cost Model Tree”

CostModelCode	CostModelDescription
ALEC	ALEC Model
ASGC	ASGC Model
BASIC	Basic Model
CostAccountCode	
PROJECT	PROJECT
LEVEL2	LEVEL2
LEVEL3	LEVEL3
LEVEL4	LEVEL4
LEVEL5	LEVEL5
CAR	CAR
EMPLOYEE	EMPLOYEE
CostModelCode	
BOQ	BOQ Model
CSI	CSI Model
INDIRECT	InDirect
ITEMS	Items Model
PM	Project Management Model

In this example, the maximum number of levels is 5 (From PROJECT to LEVEL5)

Note

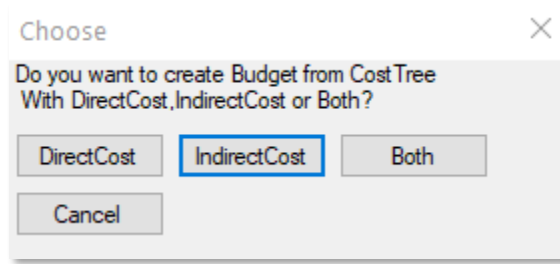
The “Budget Date” corresponds to the budget’s starting date

1.2 Populate Budget with Budget Records

So far, the newly created budget is still empty. In this step, it will be automatically populated.

The user must click on the *“Create Budget From Cost Tree”*.

A new dialog box will appear asking whether the budget records should be created using the direct, indirect or both cost tree entries. In this case, the *“Indirect Cost”* button me be clicked:



This will create budget records matching the Cost Tree entries marked for *“Indirect Cost”* of the Basic cost model.

To review these entries, the user must click on the *“Refactored Budget Analysis.”*

Cost Code	Cost Description	Qty	Weight Prec	Cost Budget Item	Level No	Date From	Date To	Unit Rate	BOQ Amount	General Expen	Material	Labor	Plant	SubContractor	Overhead %	Risk %
000		0	0.00 %		1	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M01	Departmental Expenses & Staff Salaries	0	0.00 %		2	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M0101	Management Expenses	0	0.00 %		3	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M01011	Salaries	4	0.00 %		4	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010101	Basic Salaries	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010102	Overtime	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010103	Salaries	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010104	Food Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010105	Transport Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010106	Housing Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010107	Extra Work Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010108	Extra Bonus (Monthly)	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010109	Bonus	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010110	Vacations Dues	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010111	Travelling Tickets	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010112	Guard Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010113	Gift Expenses	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M01012	Travel Expenses	4	0.00 %		4	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010201	Transportation	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010202	Accommodation and food	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010203	Other Expenses	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M0103	Other Equipment & Consumables	0	0.00 %		4	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010301	Hardware - Supply	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010302	Hardware - Depreciation	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010303	Software - Supply	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010304	Software - Depreciation	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010305	Other Consumables	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010306	Other Consumables	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M0104	Logistics	0	0.00 %		4	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010401	Basic Salaries	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010402	Overtime	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010403	Salaries	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010404	Food Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010405	Transport Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %
M010406	Housing Allowance	0	0.00 %		5	01/01/00	31/12/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 %

1.3 Add amounts

To complete the budget, amounts must be added. As in other budgets, only the lowest level of the budget must be used.

The amounts should **ONLY** be added to the “*General Expenses*” column.

At the end, the “*Recalculate*” button must be clicked and the budget saved.

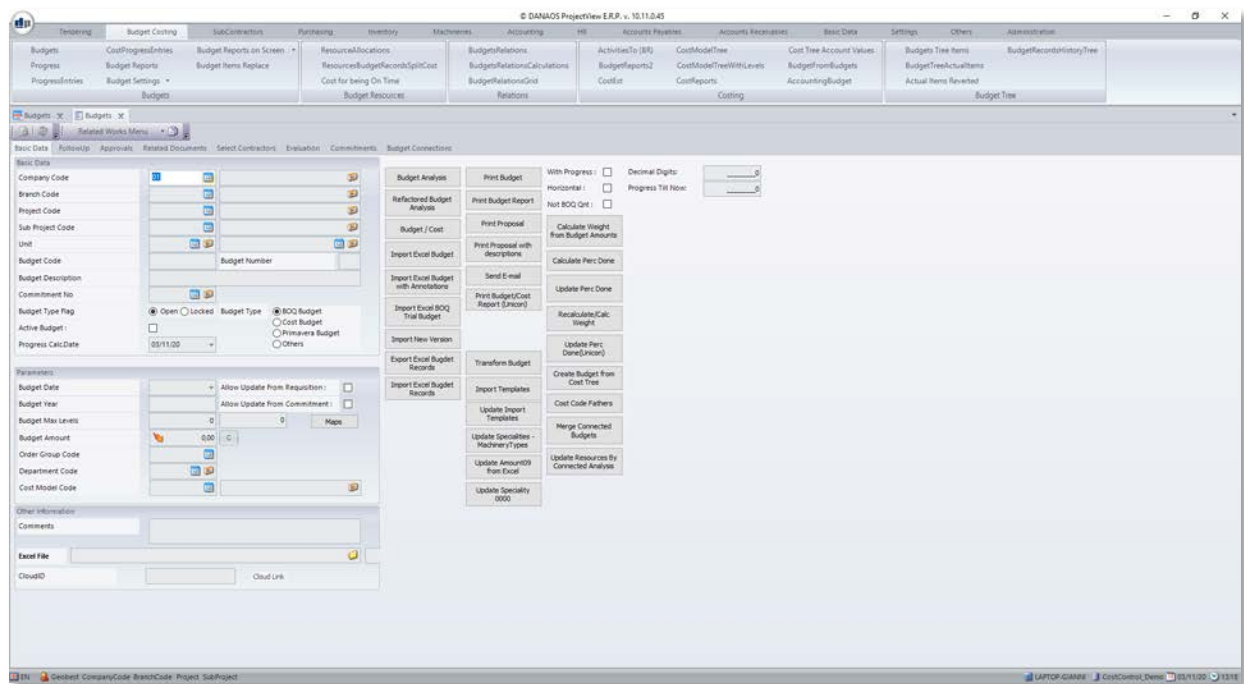
2 Allocation of Expenses on Budgets

With a General Expenses budget created as explained in the previous chapter, the user can now allocate its costs to other budgets within the same project.

To do so, the user must navigate to:

“Budget Costing” > “Budgets” > “Budgets”

From there, the user must select the newly created budget



Finally, the user must click on the *“Allocate Expenses to budgets”* button, which will do the following:

- ✓ Collect all budgets belonging to the same Company/Branch/Project as the general expenses budget
- ✓ Calculate the accumulated total costs for these budgets
- ✓ Compute the cost/total cost ratio for each budget
- ✓ Calculate the corresponding general expenses amount using the aforementioned ratio
- ✓ Add new budget lines to each budget with the corresponding general expense amounts

Calculation example for an indirect expense:

Company	Branch	Project	Budget	Total Cost on Level(1) of each budget	Ratio	M101101: Basic Salaries
01	01	001	001-IE			1,300,000
01	01	001	41007-1	6,200,000	37%	485,542
01	01	001	41009-1	7,000,000	42%	548,193
01	01	001	41011-1	400,000	2%	31,325
01	01	001	41013-1	3,000,000	18%	234,940
<i>Total amount of all budget (level No=1):</i>				16,600,000		



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